



Department of Justice

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FORMER OKLAHOMA EXECUTIVE CHARGED WITH CONSPIRACY IN CONNECTION WITH KICKBACK SCHEME

WASHINGTON, D.C. -- A former executive of an Oklahoma company was charged today with conspiring to commit mail and wire fraud in connection with a kickback scheme used to defraud a customer, the Department of Justice announced.

In a one-count felony charge filed in U.S. District Court in Tulsa, Jimmy Albert Matheson of Tulsa, a former executive of the H E Engineered Equipment Co., Inc. (HEEECI), was charged with participating from 1995 through 1997 in a conspiracy to defraud the Henry Pratt Company (Pratt) of Aurora, Illinois. Pratt is a manufacturer and supplier of equipment used in water and wastewater treatment plants, nuclear power plants and other industrial installations.

According to the charge, Matheson made kickback payments to a now former Pratt employee who arranged for Pratt to make purchases from HEEECI at inflated prices and for HEEECI to make purchases from Pratt at heavily discounted prices.

“This type of scheme deprives companies of their right to the honest services of their employees and to fair and competitive pricing,” said James M. Griffin, Deputy Assistant Attorney General in charge of the Antitrust Division’s Criminal Enforcement Program.

Today’s charge is the fifth to arise out of an ongoing investigation in Atlanta of the water and wastewater treatment equipment industry being conducted jointly by the Antitrust Division’s Atlanta Field Office and the Federal Bureau of Investigation in Atlanta.

Matheson is charged with violating 18 U.S.C. § 371, which carries a maximum term of imprisonment of five years and a maximum fine of \$250,000 for an individual. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

Anyone with information concerning bid rigging or kickbacks in the water and wastewater treatment equipment industry should contact the Atlanta Office of the Antitrust Division at (404) 331-7100.

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